

CACFP Policy Memorandum 2004-02

TO: Family Day Care Home Sponsors Participating
in the Child and Adult Care Food Program

FROM: Paul McElwain, Director
Division of School and Community Nutrition

RE: Policies for Sponsoring New Day Care Homes and
For Monitoring Staff and Visits

DATE: August 1, 2003

This policy was originally issued as Policy Memorandum 2002-08 on August 1, 2001. The policy was revised and issued as Policy Memorandum 2002-08, Revision 1, on August 1, 2002. This policy replaces the two previous memos and is being re-issued due to the number of serious concerns we have identified during administrative reviews this year. Sections of the policy memorandum to be revised are noted in italics. **Changes to the previous policy memorandum are in bold type.**

During the past year, we have become increasingly concerned with the resources made available by day care home sponsors to manage the tremendous growth in their programs. This concern has focused on the distance of the homes from sponsor facilities and the number of sponsor staff available for monitoring activities.

To address this matter, we have consulted with the staff of USDA, Atlanta Regional Office. With the concurrence of USDA, we will now require sponsors to submit with the site sheet application for each new home (i.e. home currently not sponsored) a separate narrative sheet that identifies the following:

- 1) Staff member(s) to monitor the home;
- 2) Date of the required pre-operational visit;
- 3) Distance the home is located from the closest office of the sponsor;
- 4) Name(s) of the staff member(s) assigned to the closest sponsor office; and
- 5) Address and telephone number of the closest office.

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The attached form, "Supplemental Information for Addition and/or Termination of Day Care Home Provider(s)", has been developed to address the above narrative requirement.

This information will now be collected on the Form to Add Providers.

In addition, each sponsor shall be required to establish and maintain at least one (1) office with staff available on an announced, scheduled basis during regular working hours that is located no greater than 100 miles from each existing and future day care home sponsored. At a minimum, the office shall be a fixed, physical location that is sufficiently set up to allow meetings with current and prospective providers and each office is to contain a message recording system (i.e., telephone message machine/recorder or voice mail) that providers may access.

As to monitoring staff and visits, sponsors shall be required to observe the following policies to enhance their management practices:

- 1) Ensure that there is a minimum ratio of one (1) staff monitor or full-time equivalent staff for each 50 homes sponsored. This requirement means that no more than 50 homes can be assigned to one person for monitoring during the program year, and this person shall be a full-time (8 hours a day, average of 21 days a month) monitor. **This requirement is now included in the Interim Regulations at 226.18(b)(18)(ii).**
- 2) Providers who operate on a split shift, care for children on weekends, or keep an outside child all day and do not claim lunch must be monitored six times per year. Homes claiming reimbursement for a meal served on a holiday must be monitored during the meal service. Not more than three months can elapse between monitoring visits.
- 3) *Provide that at least one (1) of the required monitoring visits to each of their day care homes during a program year are an unannounced visit. This provision has been replaced with the following:* **Ensure that at least two (2) of the three (3) required monitoring visits to each of the sponsored day care homes during a program year are an unannounced visit.**

Due to the time needed to address the new policies on office sites and monitoring staff and visits, sponsors have until February 1, 2002 for full compliance. However, the policy regarding the submission of the narrative statements for new homes is effective with the addition of new homes for the new fiscal year beginning September 1, 2002.

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The above paragraph has been replaced with the following:

Sponsors were given time to address the new policies on office sites and monitoring staff and visits, with the deadline of February 1, 2002 for full compliance. Sponsors have now been given more than adequate time to address the policy on offices sites, as well as the submission of additional information required for new homes.

The State Agency now expects, and requires, that all sponsors adhere to the existing policies on office sites, as well as monitoring staff and visits.

Also, as many sponsors serve the same areas of the state, providers now have more opportunities to potentially participate under more than one sponsor at a time.

Sponsors are now directly to immediately terminate any provider found to be participating under more than one sponsor at any given time. Also, as a deterrent to this violation, the State Agency will suspend any such provider from the CACFP for a period of one (1) year from the date of termination. We will also require that the provider agree to repay any reimbursements received in violation of this policy before participation may continue.

The above paragraph is now replaced with the following:

Should a provider be identified as having dual participation at any given time, the sponsor must issue a Notice of Serious Deficiency, Intent to Terminate, and a Notice of Proposal to Disqualify letter to the provider. Should the provider be terminated and disqualified, the provider would then be placed on the National Disqualified List and could not participate in the CACFP for seven (7) years. Should the provider fail to repay any portion of the dual reimbursement received, the provider would be ineligible to be taken off the National Disqualified List.

Should you have questions regarding this information, please contact Susanne Hubbard or Denise Hagan at 502/564-5625.